733/990

Rewards for Information Provided by Individuals to the Internal Revenue Service

Section 7623 of the Internal Revenue Code and the regulations under it permit the Internal Revenue Service to pay a reward to anyone who provides information that leads to the detection and punishment of anyone violating the internal revenue laws.

Who May File A Claim For Reward

Under the above section, you may file a claim for reward unless:

1. You were employed by the Department of the Treasury at the time you received or provided the information; or
2. You are a present or former federal employee, who received the information in the course of your official duties.

An executor, administrator, or other legal representative may file a claim for reward on behalf of a decedent if the decedent was eligible to file such a claim before his or her death. The representative must attach to the claim evidence of authority to file it.

Providing Information For A Reward

If you have information you believe would be valuable to the Internal Revenue Service, you may give it in person or writing to a representative of the Criminal Investigation Division in the office of any District Director, or write to the Criminal Investigation Branch of any Internal Revenue Service Center.

Useful information about persons who do not comply with the tax laws includes, but is not limited to, the following:

1. Tax years of violations.
2. Aliases.
3. Addresses.
4. Social Security Number and/or Employer Identification Number.
5. Financial data (bank accounts, assets) and its location.
6. Documentation to substantiate allegation (for example, books and records) and its location.
7. Date of birth.

Filing A Claim For Reward

To file a claim for reward, you should:

1. Notify the office or person to whom you reported the information that you are claiming a reward.

Department of the Treasury
Internal Revenue Service
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2. File a claim for reward by completing Form 211, signing it with your true name, and mailing it to the Informants' Claim Examiner at the office of any Service Center Director. If you provided the information in person, include in your claim the name and title of the person to whom you reported the information and the date you reported it.

If you used an identity other than your true name when you originally reported the information, attach to the claim proof that you are the person who gave the information. (IRS does not disclose the identity of its informants to unauthorized persons.)

Amount and Payment of Reward

The District Director will determine whether a reward will be paid and its amount. In making this decision, the information you provided will be evaluated in relation to the facts developed by the resulting investigation. Claims for reward will be paid in proportion to the value of information you furnished voluntarily and on your own initiative with respect to taxes, fines, and penalties (but not interest) collected. The amount of reward will be determined as follows:

1. For specific and responsible information that caused the investigation and resulted in recovery, the reward will be ten percent of the first $75,000 recovered, five percent of the next $25,000, and one percent of any additional recovery. The total reward will not be more than $100,000.

2. For information that caused the examination and was of value in determining tax due, although not specific, and for information that was a direct factor in recovering tax, the reward will be five percent of the first $75,000 recovered. Two and one half percent of the next $25,000, and one half percent of any additiona recovery. The total reward will not be more than $100,000.

3. For information that caused the investigation but was of no value in determining tax due, the reward will be one percent of the first $75,000 recovered and one half percent of any additional recovery. The total reward will not be more than $100,000.

4. An informant who has received direct payment(s) for information provided to the Service is not precluded from filing a claim for reward for the same information. However, to prevent duplicate payments, the amount of the reward payment will be reduced by the amount of the direct payment(s).

Any reward will be paid as soon as possible after collection of these additional amounts.

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